**MINUTES - REGULAR MEETING**
**SANTA MARIA CITY COUNCIL**

**CITY HALL COUNCIL CHAMBERS**
**SANTA MARIA, CALIFORNIA**

**MAY 15, 2018**

**CALL TO ORDER:**
Mayor Patino called the meeting to order at 5:15 p.m.

**ROLL CALL:**
**MEMBERS PRESENT**
Councilmembers Cordero, Moats, Waterfield, and Mayor Patino.

**MEMBERS ABSENT**
Councilmember Boysen

**STAFF MEMBERS PRESENT**
City Manager Stilwell, City Attorney Trujillo, and Chief Deputy City Clerk Garietz.

**PUBLIC COMMENT:**
John Simms spoke about problems with a City tree on his property and requested help from the City to deal with it.

**RECESS:**
Mayor Patino recessed to a Closed Session at 5:17 p.m. for a CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION pursuant to Subdivision (d)(1) of Government Code Section 54956.9., Buddy Brannon v. City of Santa Maria, Workers' Compensation Appeals Board No. ADJ9162144; ADJ10164839.

**INVOCATION:**
Karen Franklin of the Baha'i Faith gave the Invocation.

**PLEDGE OF ALLEGIANCE TO THE FLAG:**
Councilmember Waterfield led the Pledge of Allegiance.

**CALL TO ORDER:**
Mayor Patino reconvened the meeting and called the meeting to order at 5:30 p.m.

**ROLL CALL:**
**MEMBERS PRESENT**
Councilmembers Cordero, Moats, Waterfield, and Mayor Patino.

**MEMBERS ABSENT**
Councilmember Boysen

**STAFF MEMBERS PRESENT**
City Manager Stilwell, City Attorney Trujillo, Director of Human Resources & Records Anderson, Fire Battalion Chief Clayburg, Police Chief Hansen, Director of Finance Harvey, Planning Division Manager Hostetter, City Librarian Housel, Director of Public Works Kahn, Director of Recreation & Parks Posada, Assistant City Attorney Sinco, Director of Utilities Springer, Assistant City Manager Wiemiller, and Chief Deputy City Clerk Garietz.

**CLOSED SESSION REPORT**
City Attorney Trujillo announced that there was no reportable action associated with the Closed Session item.

**1. PROCLAMATIONS/COMMENDATIONS/PRESENTATIONS**

**A. PROCLAMATION – NATIONAL PUBLIC WORKS WEEK**
Councilmember Cordero presented a Proclamation in recognition of National Public Works Week, May 20-26, 2018. Public Works Engineer, Chris Petro, accepted the Proclamation and introduced members of the Public Works Department.

**B. PRESENTATION – "GOING THE EXTRA MILE" (GEM) AWARD**
City Manager Stilwell presented the City's *Going the Extra Mile* (GEM) Award to Casey Stone, Senior Parks Services Officer with the Recreation & Parks Department, in recognition of his initiative to address, on a Citywide basis, illegal activities of homeless individuals.

**Resolution No. 2018-46 adopted.** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ANNEXING AND AUTHORIZING THE ASSESSMENT OF LANDSCAPE MAINTENANCE FEES TO NEWLOVE EAST APARTMENTS LOCATED IN THE SOUTH MILLER STREET/SOUTH COLLEGE DRIVE LANDSCAPE MAINTENANCE DISTRICT (STREETS AND HIGHWAYS CODE SECTION 22500, ET SEQ.)

**G. ENGINEER REPORTS AND INTENT TO LEVY 2018-19 LANDSCAPE ASSESSMENTS**
Resolution Nos. 2018-47 and 2018-48 were adopted approving the Engineer's Reports; and declaring the intent to levy and collect the property tax assessments for each of the four Landscape Maintenance Districts and the 24 Special Benefit Zones, and set a public hearing for June 19, 2018, to consider the proposed landscape assessments.

**Resolution No. 2018-47 adopted.** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE ENGINEER'S REPORTS FOR ASSESSMENT PROCEEDINGS.

**Resolution No. 2018-48 adopted.** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING THEREON FOR THE FOUR LANDSCAPE MAINTENANCE DISTRICTS AND THE 24 SPECIAL BENEFIT ZONES.

**REGULAR BUSINESS**

**4. THIRD QUARTER FINANCIAL REPORT ENDING MARCH 31, 2018.** The City Council considered the Quarterly Financial Report for the third quarter of 2017-2018; budget amendments to approve operational changes to the 2017-18 Budget; and an update to the City's Conflict of Interest Code.

Director of Finance Harvey gave a presentation as detailed in the Council Agenda Report which focused primarily on the General Fund and Enterprise Funds. The beginning fund balance of $10.1 million was the final audited balance at July 1, 2017.

Concerning City revenues, through the third quarter of the year, sales tax receipts were at 9.2 percent, $1.4 million greater than the third quarter last fiscal year. This variance is due to continued growth in building and construction sales, fuel prices, and the opening of businesses at Enos Ranch. Enos Ranch revenues will likely spike for the first six months to a year, before coming down to a more consistent level.

Non-Hazardous Impacted Soils (NHIS) Program revenues are at nearly $1.3 million, which is a decrease of 11.7 percent as compared to approximately $1.5 million in receipts received through the third quarter of last year. This reduction was expected, in fact staff had reduced NHIS projections for 2017-18 to $400,000. The unexpected uptick in NHIS revenues was due to the Chevron project at the Orcutt Refinery site that required more excavation than expected. However, since the completion of the Orcutt project, NHIS activities slowed. With minimal NHIS material received in April and no set start date for Chevron's San Luis Tank Farm project, staff was projecting NHIS revenues of about $200,000 in the fourth quarter.

Permit revenue was at about $2.1 million or 79.6 percent of budget and was a 47 percent decrease compared to the $3.9 million received during the same period last year. Revenues had been higher when permits were being issued in the previous year for the Enos Ranch development.

General Fund expenditures were at 70.8 percent of budget and were currently on course to realize $2 million in salary savings included in the 2017-18 budget to help address the budget deficit. Even with the higher sales tax and NHIS revenues, staff was still projecting expenditures would exceed revenue estimates by about $2.1 million.

Concerning Measure U, revenues through the third quarter were ahead of budget at 78.1 percent or $3.5 million. Expenditures were at 77.7 percent of budget or $3.5 million but were over budget because March had three pay periods. Through the first half of the fiscal year, overall Measure U expenditures exceeded revenues by $21,600, reducing the fund balance to about $296,000. Based on the current pace of expenditures over revenues, Measure U fund balance was projected to remain positive at the end of fiscal year 2017-18. Through March, 90 percent of all Measure U expenditures were spent on public safety activities with 39 percent expended on fire operations and 51 percent expended on police operations.

Councilmember Cordero reported he attended a meeting with Casa del Sol Mobile Home Park residents; the Elks Citizen and Student of the Year celebration; the National Day of Prayer event; the Veteran's Treatment Court ceremony; the North County Economic Forecast; and a meeting with the Strawberry Commission.

Mayor Patino reported that she attended the National Day of Prayer; met with the Elks Club regarding the Union Valley Parkway exit during the rodeo; a conference call with Mayors and Councilmembers Executive Forum; a gang prevention conference in Carson; the North County Economic Forecast; a Mayors and City Managers meeting; and a Veteran's Treatment Court ceremony.

Mayor Patino took a moment to summarize activities the Recreation & Parks Department would be offering for youth over the summer.

**ADJOURNMENT:**
There being no further business before the City Council, Mayor Patino declared the City Council meeting adjourned at 6:15 p.m.

APPROVED:

June 5, 2018
Date

Rhonda M. Garietz, CMC
Chief Deputy City Clerk and ex officio Clerk of the City Council

Alice M. Patino
Mayor of the City of Santa Maria

ATTEST:

Rhonda M. Garietz, CMC
Chief Deputy City Clerk